

C-111
DFF
Cm.

**MEMORANDUM
TO THE HONORABLE FREDERIC BLOCK
SENIOR UNITED STATES DISTRICT JUDGE**

**RE: REIDY, Stephen
DOCKET NO.: 01-CR-652
REQUEST FOR STATUS CONFERENCE**

On November 13, 2002, Your Honor sentenced the above-mentioned individual to five (5) years probation with the following special conditions: the defendant shall serve six (6) months in a halfway house; the defendant shall continue to participate in mental health treatment as directed by the Probation Department; the defendant shall make full financial disclosure to the Probation Department; and the defendant shall comply with the restitution ordered in Judgment- \$62,462.00 to be paid at the rate of \$100 per month and payments shall commence immediately. This sentence followed a conviction on the charge of Theft of Social Security Disability Benefits, in violation of 18 USC 641.

On May 2, 2005, the undersigned officer submitted a memorandum reflecting that the probationer was arrested by the New York City Police Department's (NYPD) 100th Precinct for Assault with Intent to Cause Physical Injury and Harassment in the Second Degree: Physical Contact. Specifically, the probationer and his wife, Mary Cronin, filed cross-complaints against one another reflecting that a verbal dispute resulted in a physical altercation, each accusing the other as the aggressor. They were released from custody with a Temporary Order of Protection issued against each other: both Orders have since been vacated in Queens Criminal Court. On May 11, 2005, Your Honor ordered that violation proceedings not be initiated regarding this arrest. As recommended by the Probation Department, the defendant and his wife have been receiving marital counseling from the defendant's therapist at Long Island Consultation Center (LICC). The therapist, Susan Grinberg, reports that the counseling has resulted in improved communication between the defendant and his wife. As such, it is respectfully recommended that no action be taken regarding this arrest since the defendant appears committed to continued counseling.

The purpose of this memorandum however, is to address the defendant's restitution obligation. As noted above, Your Honor ordered that the defendant pay \$62,462 at the rate of \$100 per month. To date, the defendant has paid a total of \$200 towards this obligation, the last payment having been received on February 10, 2003. The defendant was afforded leniency regarding the financial obligation as he has been an unemployed social security recipient with a monthly income totaling \$1,207 that supports him and his wife. However, in July, 2005, the defendant reported receiving an inheritance in the amount of approximately \$176,000. The undersigned officer advised the defendant that based on this inheritance, he must satisfy the full restitution obligation. The defendant reported that he had done so by way of depositing \$65,000 in a 15 year annuity on behalf of his daughter, Kimberly Reidy. Attached is a statement from First Sun America reflecting this policy. Please note that the annuitant is reflected as 'Stephen J. Reidy, Jr.' and further that the defendant has not been in contact with his daughter since she was placed in foster care in 1990 and is unaware of her whereabouts. The instant offense involved the defendant stealing Social Security Disability (SSD) checks from the Social Security Administration (SSA) as he was the designated payee since his daughter was under the age of 18. The defendant failed to notify the SSA that his daughter was placed in foster care and he continued to receive her SSD benefits. The undersigned officer clarified that the defendant's Judgment required him to submit payment to the Clerk of the Court who then would remit payment to the SSA.

While the undersigned officer consulted with the Financial Litigation Unit (FLU) of the Eastern District of New York about restitution payment obligation as relates to an inheritance, the defendant was afforded the opportunity to speak with an attorney. While unclear if under legal advice, the defendant ultimately

agreed to pay restitution according to the payment schedule set forth in the Judgment (\$100/month) and all arrears since his last payment in 2003. After consultation with FLU attorney, Edward Newman, and Deputy Chief Assistant U.S. Attorney at FLU, Thomas McFarland, it was suggested by the latter that the defendant satisfy the full restitution amount from the inheritance since he now has a greater financial ability to pay. Reference is made to 18 USC 3664 (k) regarding the enforcement of a restitution order that stipulates that 'the court be notified of any material change in the defendant's economic circumstances that might affect the ability to pay restitution and upon such notification, may cause the court to adjust the payment schedule or require immediate payment in full in the interest of justice'. Further, 18 USC 3664 (n) reflects that 'if a person obligated to provide restitution receives substantial resources from any source, including an inheritance, (during a period of incarceration), that person shall be required to apply the value of such resources to any restitution still owed'. The undersigned officer contends that such a provision is applicable also to a person under supervision.

Finally, it is reported that the defendant has continued to receive additional inheritance allotments. As reflected in the attached bank account statement from North Fork Bank, as of December 23, 2005, the defendant has a checking account balance totaling \$205,835.49.

As an acceptable resolution regarding the payment of the outstanding restitution order has not been reached between the Probation Department and the defendant, it is respectfully requested that a status conference be scheduled in order to further address the issue.

Respectfully Submitted,

Tony Garoppolo
Chief U.S. Probation Officer

Prepared By: Jeanine Manno
Jeanine Manno
U.S. Probation Officer

Approved By: Nella Yelenovic
Nella Yelenovic
Supervising U.S. Probation Officer

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- ☒ STATUS CONFERENCE SCHEDULED FOR 2/24/06 AT 2:30pm.
- ☐ INITIATE VIOLATION PROCEEDINGS
- ☐ OTHER ACTION _____

4 U.S. District Judge 2.9.06 Date

January 24, 2006

Encl.

First SunAmerica

AIG Member American International Group, Inc.

QUARTERLY GROWTH REPORT OF YOUR POLICY FOR THE QUARTER ENDING 06/30/2005

>04045 4224934 001 008129

STEPHEN J REIDY JR
300 BEACH 88TH ST
ROCKAWAY BEACH, NY 11693-1447

• Contract Number	NZ205940
• Policy Date	03/30/2005
• Annuitant	Stephen J Reidy Jr
• Policy Type	Non-Qualified
• Agent	Nfb Agency Corp
• Composite Annual Yield	5.15%

Important Messages

For access to your account 24 hours a day, please visit our website at www.aigannuityaccess.com.®

Account Information

	Current Quarter	Year - To - Date
	04/01/2005 - 06/30/2005	01/01/2005 - 06/30/2005
Deposits	65,000.00	65,000.00
Interest	827.97	827.97
Accumulated Value	65,827.97	65,827.97

Deposits And Withdrawals Processed During This Quarter

Date	Amount
03/30/2005	65,000.00

Annuity Administration

P.O. Box 9006 • Amarillo, TX 79105-9006 • 877.289.0256

R179-F



North Fork Bank

ROCKAWAY PARK
For Information: (877)694-9111

NOTICE: See Reverse side
for Important Information

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NO ENCLOSURES

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STEPHEN REIDY
ITF MARY REIDY & KIMBERLY JEAN
300 BEACH 88TH ST APT 4
ROCKAWAY BEACH NY 11693-1447

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NFB INCREDIBLE INTEREST CKING		217606 406 7	
Previous Balance	11-24-05	205,583.33	
+Deposits/Credits	1	1,207.00	
-Checks/Debits	24	1,359.03	
-Service Charge		.00	
+Interest Paid		404.19	
Ending Balance	12-23-05	205,835.49	
Days in Statement Period	29		
INTEREST INFORMATION			
Average Daily Balance		205,764.88	
Days in Earnings Period		29	
Interest Earned		404.19	
Annual Percentage Yield Earned		2.50 %	
Interest Paid this Year		1,662.31	
Interest Withheld this Year		.00	
Date	Rate	Date	Rate
11-24	2.470%		

DATE	DESCRIPTION	CHECK#	DEBITS	CREDITS	BALANCE
11-25	Beginning Balance				205,583.33
11-25	POS PUR 112405 C-TOWN		40.28		205,543.05
	8715ROCKAWAYBEACHBLVD				
	ROCKAWAY B,NY				
11-25	POS PUR 112305 C-TOWN		12.62		205,530.43
	8715ROCKAWAYBEACHBLVD				
	ROCKAWAY B,NY				
11-25	POS PUR 112205 CVS PHARMA		6.37		205,524.06
	CVS PHARMACY #2720 Q03				
	ROCKAWAY B,NY				
11-29	POS PUR 112505 THE VITAMI		194.48		205,329.58
	THE VITAMIN SHOPPE VII				
	NEW YORK,NY				
11-29	ATM W/D 112905 NORTH FORK		40.00		205,289.58
	14621 JAMAICA AVE				
	JAMAICA,NY				
11-30	ATM W/D 113005 Money Mark		101.50		205,188.08
	90-10 Rockaway Beach				
	Rockaway,NY				
11-30	ATM W/D TRANSACTION FEE		1.25		205,186.83
12-02	US TREASURY 303 SOC SEC			1,207.00	206,393.83
12-03	WITHDRAWAL				206,293.83
12-05	ATM W/D 120405 Money Mark		100.00		206,252.33
	90-10 Rockaway Beach		41.50		
	Rockaway,NY				
12-05	POS PUR 120305 C-TOWN		34.50		206,217.83
	8715ROCKAWAYBEACHBLVD				
	ROCKAWAY B,NY				
12-05	ATT 800-222-0300 AT&T SERVS		48.25		206,169.58
12-05	ATM W/D TRANSACTION FEE		1.25		206,168.33
12-06	ATM W/D 120605 Money Mark		101.50		206,066.83
	90-10 Rockaway Beach				
	Rockaway,NY				

Continued on next page



North Fork Bank

STEPHEN REIDY
ITF MARY REIDY & KIMBERLY JEAN
300 BEACH 88TH ST APT 4
ROCKAWAY BEACH NY 11693-1447

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DATE	DESCRIPTION	CHECK#	DEBITS	CREDITS	BALANCE
	Balance Forward				206,066.83
12-06	ATM W/D TRANSACTION FEE		1.25		206,065.58
12-10	POS PUR 120905 C-TOWN 8715ROCKAWAYBEACHBLVD ROCKAWAY B,NY		15.82		206,049.76
12-12	ATM W/D 121205 Money Mark 90-10 Rockaway Beach Rockaway,NY		101.50		205,948.26
12-12	POS PUR 121005 CVS PHARMA CVS PHARMACY #2720 Q03 ROCKAWAY B,NY		183.28		205,764.98
12-12	ATM W/D TRANSACTION FEE		1.25		205,763.73
12-17	ATM W/D 121705 NORTH FORK 2520 FLATBUSH AVE BROOKLYN,NY		60.00		205,703.73
12-19	ATM W/D 121905 Money Mark 90-10 Rockaway Beach Rockaway,NY		101.50		205,602.23
12-19	POS PUR 121805 C-TOWN 8715ROCKAWAYBEACHBLVD ROCKAWAY B,NY		33.69		205,568.54
12-19	ATM W/D TRANSACTION FEE		1.25		205,567.29
12-20	POS PUR 121705 THE VITAMI THE VITAMIN SHOPPE#701 BROOKLYN,NY		15.99		205,551.30
12-22	ATM W/D 122205 NORTH FORK 116-01 ROCKAWAY BEACH B ROCKAWAY P,NY		120.00		205,431.30
12-23	INT PMT 11/24/05 THRU 12/22/05			404.19	205,835.49
	Ending Balance				205,835.49

* EFT ACTIVITY *

DATE	DESCRIPTION	AMOUNT
11-25	POS PUR 112405 C-TOWN	40.28-
11-25	POS PUR 112305 C-TOWN	12.62-
11-25	POS PUR 112205 CVS PHARMA	6.37-
11-29	POS PUR 112505 THE VITAMI	194.48-
11-29	ATM W/D 112905 NORTH FORK	40.00-
11-30	ATM W/D 113005 Money Mark	101.50-
12-02	US TREASURY 303 SOC SEC	1207.00
12-05	ATM W/D 120405 Money Mark	41.50-
12-05	POS PUR 120305 C-TOWN	34.50-
12-05	ATT 800-222-0300 AT&T SERV	48.25-
12-06	ATM W/D 120605 Money Mark	101.50-
12-10	POS PUR 120905 C-TOWN	15.82-
12-12	ATM W/D 121205 Money Mark	101.50-
12-12	POS PUR 121005 CVS PHARMA	183.28-
12-17	ATM W/D 121705 NORTH FORK	60.00-
12-19	ATM W/D 121905 Money Mark	101.50-
12-19	POS PUR 121805 C-TOWN	33.69-
12-20	POS PUR 121705 THE VITAMI	15.99-
12-22	ATM W/D 122205 NORTH FORK	120.00-

END OF STATEMENT